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# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

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October 14, 2010

TO: Files

THRU: Lynn Kunzler *LK*

FROM: Paul Baker *PMB*

SUBJECT: Meeting Notes, Great Salt Lake Minerals, GSL Mine, M/057/0002, Weber County, Utah

On October 14, 2010, Lynn Kunzler, Dana Dean and I met with Joseph Havasi of Compass Minerals and Doug Jensen of North American Exploration (consultant) to discuss future development plans for the GSL mine and also the current status of mine facilities and the mine plan. Mr. Havasi is fairly new to the company, and he is based in Overland Park, Kansas. The Division's contact person for inspections and day-to-day operations should continue to be Tom Burton.

Great Salt Lake Minerals has proposed a very large expansion, but, realizing the difficulty of permitting the entire expansion at once, they are now proposing to develop the project incrementally:

- Phase A would be an increase of about 8000 acres in Bear River Bay with about 9000 acres on the west side of the lake. This phase would take them through about 2020. Monitoring done in about 2017 would establish what level of impacts the expansion had on various resources and would help with projections of impacts of future expansion. Future expansions would also include this interim monitoring concept.
- Phase B would be about 13,000 acres on the west side of the lake.
- Phase C would add another 9500 acres on the west side of the lake.
- Phase D would add about 29,500 acres on the northwest side of the lake. At this point, the plant is not able to handle production that could come from this area.

The operator hopes an administrative draft environmental impact statement could be ready for their review by March 2011 with a document ready for the public by May 31, 2011.

The operator is currently using about 110,000 acre-feet of water each year with the maximum being about 160,000 acre-feet. After Phase C, they would be using about 509,000 acre-feet per year, but with technology enhancements, this amount should be reduced to about 250,000 acre-feet per year. The primary enhancement would be to put a



20-inch concrete-bentonite layer in the center of the dikes to reduce water loss from about 30 percent to around five percent.

The operator has had press releases announcing they are hiring more people, and these releases make it sound as if there are new buildings and other facilities being built. It is not certain whether there are actually any new buildings since the bond was last calculated in the late 1980s. The bond is due for evaluation, and this needs to be checked.

At this time, there are no plans to construct any facilities near U. S. Magnesium's operation at Rowley.